

N A T O RESTRICTED

ANNEX K (CONTRACTING SUPPORT) TO COMMANDER FOR SUPPORT
SUPPLAN 47105 (DELIVER ICE)

THIS ANNEX IS NATO UNCLASSIFIED WHEN SEPARATED FROM THE BASIC
SUPPLAN

CONTRACTING SUPPORT

REFERENCE: ACE DIRECTIVE 60-70, Procurement of Military Budget Committee
Funded Services and International Property

1. (NR) SITUATION.

- a. NATO does not have Host Nation Support (HNS) agreements with the countries of the Former Yugoslavia (FY). Therefore, contracting for supplies, services, and support will be a critical aspect to the success of the operation. It is possible to contract for goods and services within Croatia and Bosnia-Herzegovina (B-H). Due to the limited available sources within Theatre, it is imperative that a strong centralised contracting organisation be established. This will prevent excessive procurement activity in theatre, eliminate competition for scarce resources and allow the CINC to set priorities for use of scarce resources.
- b. The key to a successful contracting effort will be a centrally orchestrated contracting effort to eliminate competition for the same resources, to help stabilise prices, to ensure equitable support for all forces, and to guarantee success of the Theatre Commander's mission. This naturally implies that not only all NATO nations and non-NATO nations accept integration within a centralised contract authority, but that the UN accept a mutually co-operative effort as well. This does not imply the need to merge NATO, Troop Contributing Nations (TCN) and UN funding. Efficiencies can be gained by utilising single contract vehicles such as Blanket Ordering Agreements (BOAS) or Blanket Service Agreements (BSVAs). These contracting vehicles will allow NATO and TCNs to procure common supplies and services from in-theatre sources.
- c. Those resources not available in-theatre may be procured from sources outside of FY and are not subject to this annex. The UN has deployed a large source list which indicates that commercial contractors are willing to provide supplies and services within FY.

2. (NR) ASSUMPTIONS.

- a. UN will assist NATO with contracting support as C-SPT establishes its supporting architecture. UN and NATO must be mutually supportive to ensure success of the total operation.

K-1

N A T O RESTRICTED

N A T O RESTRICTED

ANNEX K (CONTRACTING SUPPORT) TO COMMANDER FOR SUPPORT
SUPPLAN 47105 (DELIVER ICE)

THIS ANNEX IS NATO UNCLASSIFIED WHEN SEPARATED FROM THE BASIC
SUPPLAN

- b. TCNs and NATO will provide contracting and legal personnel to fill appropriate positions within the C-SPT Theatre Contracting Co-ordination Centre (KCC) established to direct and co-ordinate contracting.
 - c. At the onset of Phase II, NATO will approve a waiver for a contingency period for at least 90 days (preferred 180 days). The waiver will allow authorisation for sole source contracting, authorisation to contract with non-NATO countries, suspension of the requirement to convene a Contract Award Committee (CAC) for contract award for contracts using only NATO funding.
 - d. Adequate funding will be available for contractual requirements.
 - e. NATO Maintenance and Supply Agency (NAMSA) will become NATO's contracting executive agency.
3. (NR) MISSION. On order Commander for Support will provide responsive and effective contracting operations for NATO and non-NATO) forces conducting Peace Enforcement operations in the FY.

4. (NR) **EXECUTION.**a. Concept of the Operation

- (1) The C-SPT will establish the KCC with the responsibility of establishing policy, directing and synchronising contractible resources within the COMMZ-Fwd and ARRC Rear. The KCC will co-ordinate with the ARRC Rear to facilitate their contracting operation in B-H.
- (2) The KCC will stand-up the NATO Maintenance and Supply Agency (NAMSA) in-theatre to establish BOA and BSVA. NAMSA will establish these agreements with sources in CROATIA and B-H and when necessary, sources outside of theatre. Nations placing orders against NAMSA established contractual vehicles are responsible for funding. TCNs shall co-ordinate procurement requirements with the Framework Division lead nation's National Support Element (NSE) prior to placing orders against NAMSA established BOAS or BSVAs. Contract administration for NAMSA established BOAS and BSVAs will be shared with the contracting official who established the BOA/BSVA and the NATO/non-NATO nation requiring the supplies or services.

K-2

N A T O RESTRICTED

N A T O RESTRICTED**ANNEX K (CONTRACTING SUPPORT) TO COMMANDER FOR SUPPORT
SUPPLAN 47105 (DELIVER ICE)**

**THIS ANNEX IS NATO UNCLASSIFIED WHEN SEPARATED FROM THE BASIC
SUPPLAN**

- (3) The KCC will establish a restricted contracting list for critical supplies and services. NSE will seek KCC concurrence before contracting for these items. Items not appearing on the restricted items list do not require prior approval or co-ordination. Nations can establish local contracts for supplies and services in their Area Of Responsibility (AOR) for any item not appearing on the Restricted Item list. Reporting requirements are stated in Annex T.
- (4) Any contract or procurement established with a source not located in COMMZ-Fwd or B-H does not require KCC concurrence. However, any sub-contract, which may require supplies or services on the Restricted Items List from sources in the COMMZ-Fwd and B-H area, must receive KCC concurrence. NATO and non-NATO nations using out-of-theatre civilian contractors, such as the Logistics Civil Augmentation Program (LOGCAP) or similar civilian augmentation programs, must co-ordinate with the KCC prior to utilising and bringing these assets into theatre.
- (5) The KCC will establish Regional Contracting Offices (RCO) in COMMZ-Fwd and B-H composed of Multinational military and NAMSA personnel to provide Framework Contracts, BOAs and BSVAs from sources in the COMMZ-Fwd and B-H. TCNs and non-NATO countries may request that the KCC place orders against these procurement vehicles or place the orders themselves. Nations will maintain fiscal responsibility for any orders placed against KCC established BOAs and BSVAs.
- (6) All purchases and contracts executed utilising NATO funding will be conducted in accordance with the procedures in AD 60-70, which is fundamentally based on fair and open competition between NATO member nations. Whereas this concept remains sound, it does not provide the necessary flexibility to support a contingency operation of the magnitude envisioned in this SUPPLAN. Thus, a waiver of certain rules is imperative, particularly during the deployment phase of the operation (first 90 days). The waiver must allow NAMSA to contract with non-NATO countries and to award sole source contracts. It must also provide relief from the requirement to convene Contract Award Committee (CAC), particularly when the requirement calls for a CAC above the Theatre level. A waiver will be requested via the NATO chain of command.
- (7) The intent is that the C-SPT contracting operation in COMMZ-Fwd and B-H be coordinated and equitable for all nations. Contract administration for NAMSA established BOAs and BSVAs will be shared with the contracting official who established the BOA/BSVA and the NATO/non-NATO nation

K-3

N A T O RESTRICTED

N A T O RESTRICTED

ANNEX K (CONTRACTING SUPPORT) TO COMMANDER FOR SUPPORT
SUPPLAN 47105 (DELIVER ICE)

THIS ANNEX IS NATO UNCLASSIFIED WHEN SEPARATED FROM THE BASIC
SUPPLAN

requiring the supplies or services. Effective contract management will facilitate timely contract close-out. It is anticipated contract close-out actions will take 3 to 6 months following the operation termination.

- (8) Theatre Contracting Co-ordination Centre (KCC). The KCC will stand-up in Zagreb. The UN procurement agency and the KCC will operate as parallel organisation and will not merge. The KCC contracting operations in Zagreb will focus on co-ordinating requirements agreed to in the NATO and UN Memorandums of Understanding. They will also develop theatre contracting policies and procedures and prioritise contracting requirements based on the C-SPT and IFOR Commander's priorities.
 - (9) COMMZ Fwd Logistics Co-ordination Centre. The KCC will stand-up NAMSAs major contracting operation in the COMMZ Fwd Logistic Co-ordination Centre. This is the location where NAMSAs will establish BOAs and BSVAs with vendors and contractors within the COMMZ Fwd and B-H areas.
 - (10) KCC Regional Contracting Offices (RCOs). RCOs will be co-located within each Framework Division's AOR. According to their level of delegation received from the KCC, these offices will grant KCC concurrence for local procurements. They will also provide local procurement source listings and access to NAMSAs BOAs and BSVAs to Framework division and other TCN. The RCO located in United Kingdom's Framework Division AOR will co-locate with the COMMZ-Fwd HQ.
 - (11) Troop Contributing Nation (TCN) Liaison Officers (LNOs). TCNs assigned to the three Framework Divisions will provide LNOs to co-locate with each RCO. They will keep NSEs informed of any BOAs or BSVAs available through the KCC or any other local contracts established by other NSEs in the Framework Division's AOR.
 - (12) Contract Close-out and Redeployment. The KCC will conduct a phased redeployment. Contracts, BOAs and BSVAs established using NATO common funding will be closed-out in accordance with AD 60-70. RCOs will remain in-place until all contracts, BOAs, and BSVAs are closed-out or turned over to the KCC office in Zagreb. Contracting operations are expected to continue 3 to 6 months after NATO forces have redeployed in order to properly close all contractual instruments.
- b. Coordinating Instructions.

K-4

N A T O RESTRICTED

THEATRE CONTRACTING COORDINATION CENTRE (KCC)



